

The Global Newspaper Edited and Published in Paris Printed simultaneously in Paris, London, Zurich, Hong Kong, Singapore, The Hague, Marseille, New York, Rome, Tokyo, Frankfurt.

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post LONDON, SATURDAY-SUNDAY, MARCH 21-22, 1992 ESTABLISHED 1887

Forgotten Drivers in Southeast Asia Since Detroit Didn't Care, Japanese Stepped In

By William Branigan Washington Post Service BANGKOK — Years ago, American cars were a fairly common sight in Southeast Asia. Now, except for the wheezing relics that still ply the roads of such relative backwaters as Burma and southern Vietnam, they are hard to find. Even in those places, they are rapidly being replaced by shiny new Nissans and Toyotas.

Detroit, Atlanta, Houston and Washington during the 11-day trip starting this week. At the core of the trip is a perception that the United States needs to increase its competitiveness in the world marketplace.

Japanese carmakers make a gesture of support for Bush. Page 14.

compared to an average of 19 percent among major competing nations. "If we were to double our exports," Mr. Orr said, "there wouldn't be a recession right now."

A New U.S. Portfolio: Ambassador as Salesman

By Stuart Auerbach Washington Post Service WASHINGTON — The U.S. ambassador to India, William Clark Jr., sprang into action early last year when Air-India passed over two U.S. companies and awarded a multimillion-dollar contract for jet aircraft engines to Britain's Rolls-Royce PLC.

business. He estimated that it would take about 10 years to accomplish the change. "Any ambassador or Foreign Service officer who has his or her head screwed on right knows that the U.S. position in the world is dependent on our ability to compete in world markets."



DAY OF MOURNING — Israel's consul in Buenos Aires, Dani Karmon, attending a ceremony in Israel on Friday for his wife, Elora, who was killed in the embassy bombing Tuesday. Page 2.

Ukraine Feud With Russia Crackles at Kiev Summit

'Not a Single Problem' Of Ex-Soviets Has Been Solved, Kravchuk Says By Serge Schmemmann New York Times Service KIEV — Animosity between Ukraine and Russia broke into the open at a summit meeting of the Commonwealth of Independent States on Friday as the Ukrainian president, Leonid M. Kravchuk, publicly lambasted Russia and the Commonwealth for failing to resolve "a single political or military problem."

month-old association of former Soviet republics had failed to follow up on any of its decisions, and had proved helpless to stop ethnic conflicts in the Caucasus and Moldova. The summit meeting skirted the most divisive issues and concentrated on a series of agreements on the joint Commonwealth armed forces.

Bush, or Clinton? 'Swing' Voters Don't Want to Swing Either Way

By David S. Broder and Richard Morin Washington Post Service OAK PARK, Ill. — George Bush and Bill Clinton may have clinched their parties' nominations for president, but they are a long way from convincing voters here — and across the country — that they have what it takes to lead the nation in the next four years.

Mr. Clinton, the governor of Arkansas and presumptive Democratic nominee, is seen by a majority as being in touch with the everyday problems of average people. But his honesty and integrity are in question — especially among the swing voters of the kind who made up the discussion group and who will ultimately decide the election.

discussion group Monday because they said they were not sure how they would vote in November. A criterion that virtually eliminated strong Bush or Clinton supporters. But the national survey taken Wednesday echoed the skepticism these swing voters expressed about Mr. Bush's grasp of domestic problems and mirrored their vehement denunciations of Mr. Clinton as a "slick" and "cunning" politician.

pushed to make a choice today between Mr. Bush and Mr. Clinton, a big majority of these swing voters say they would take Mr. Bush, with all his perceived shortcomings, rather than the Democrat, whom one of them compared to a disgraced TV evangelist.

Kiosk

Senna Hurt in Crash During Practice Run MEXICO CITY (Combined Dispatches) — Ayrton Senna of Brazil, the Formula One driving champion, suffered a badly bruised left leg Friday when he crashed his car into a wall during a qualifying run for Sunday's Mexican Grand Prix.



Karl Lagerfeld went long with ankle-length skirts in transparent fabrics. See Fashion/A Special Report, pages 15-17.

Iraq's 'New Attitude' Cited at UN

By Trevor Rowe Washington Post Service UNITED NATIONS, New York — The UN official in charge of eliminating Iraq's dangerous weapons said Friday that Baghdad had adopted a "new attitude" and was prepared to destroy ballistic missile equipment and give a complete picture of all its arms programs.

Washington that the United States would do all it could to force Iraq to destroy its remaining weapons of mass destruction, new agencies reported. "The administration and partners in this endeavor will bring all pressure to bear on the Iraqi militants so they understand that at the end of the day they must comply," General Powell told the Senate Armed Services Committee.

General News

President Frederick de Klerk has a mandate, but no 'quick fix' for political inequality in South Africa. Page 5. H. Ross Perot, the Texas billionaire, is gearing up for a long-shot bid as an independent presidential candidate. Page 3.

Li Peng Urges 'Bolder Approach' on Economy

By Nicholas D. Kristof New York Times Service BEIJING — Prime Minister Li Peng on Friday called on China to "take a bolder approach to reform" and said that the foremost task in the coming years was to restructure the economy to stimulate economic growth.

Li Peng Urges 'Bolder Approach' on Economy

our domestic affairs — above all, on more rapid economic development," Mr. Li said. Mr. Li's speech was delivered to 2,500 delegates at the opening session of the annual National People's Congress, China's rubber-stamp parliament. The address had been eagerly anticipated for any light it might cast on the power struggle that is believed to be under way between moderates and hard-liners within the leadership.

In the more audacious segments of the speech, Mr. Li borrowed from comments he made in January by Deng Xiaoping, the 87-year-old senior leader. Mr. Deng has engineered the latest push for more economic liberalization as the best way to preserve communism in China. "We must further emancipate our minds, dare to innovate and take a bolder approach to reform and opening up," Mr. Li said. He called for more stock markets and for state-owned factories to compete in the market.

In Crumbling Kabul, the Battle for Survival Eclipses the War

By Edward A. Gargan New York Times Service KABUL — No one knows how many people have died from hunger or the bitter cold that has engulfed this crumbling city this winter. People know, though, that the round, flat loaf of bread that is the staple food costs five times more than it did a year ago.

And still, President Najibullah, a man virtually every Western intelligence agency and Central Asia expert thought of as Moscow's fragile puppet, remains in office 36 months after the last Soviet tank rumbled into Uzbekistan. Yet, after 13 years of war, another chance for peace has appeared, and if that peace comes it will come in the next two months. A United Nations effort to bring all facets of Afghan society to a peace conference in Vienna is hurrying toward realization.

River, its waters swollen with the first melted snows from the mountains to the east. "I am not rich," he said. "I work in an office. But I earn only 7,000 Afghanis a month." That is less than \$5. Mr. Tufan walked by flatbed carts balanced on bicycle wheels where eggs were selling for eight U.S. cents each, chickens for \$3.40 and 15 pounds (about 7 kilograms) of the cheapest rice from Russia for \$2.50. With his monthly salary, Mr. Tufan had barely enough money to feed his family for a few days.

While saying that the focus of reform would be efforts to make state-owned enterprises competitive, Mr. Li did not mention adopting elements of capitalism.

Duchess Gets an Apology For Palace's Unkind Cut

LONDON — Buckingham Palace made an embarrassed apology Friday to the Duchess of York, the former Sarah Ferguson, in the latest twist in the breakup of her marriage to Prince Andrew. Queen Elizabeth's press secretary, Charles Anson, had made remarks at a private palace briefing Thursday suggesting that the duchess was responsible for the marital problems and had employed a public relations firm to leak the news of the impending separation.

Money Report

Broadcast stocks stred; top funds, a back door to the big time. Page 8-9.

General News

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Table with exchange rates: Dow Close 14.99, Dollar in New York 1.6714, DM 1.713, Yen 133.82, FF 5.672.

Crossword Page 4, Weather Page 2.

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CARS: An Asian Market Untapped

(Continued from page 1) the Far East, but the smaller "middle class" of corporate America. According to Jack Hanlon, chairman of the Investment Promotion Committee of the American Chamber of Commerce in Thailand, 80 percent of U.S. foreign investment is done by no more than 100 major companies. According to U.S. officials, some of the best opportunities for American business in Southeast Asia lie in such sectors as computers and peripherals, food processing and packaging machinery, aircraft and avionics, telecommunications gear, health care and pollution-control technology, management services, and oil and gas equipment. A prime example of lost opportunity is what many U.S. businessmen regard as Detroit's neglect of its export markets. With economic prospects looking bleak after the communist takeovers of South Vietnam, Cambodia and Laos in 1975, General Motors Corp. and Ford Motor Co. virtually pulled out of Southeast Asia, leaving the field open for the Japanese. Certainly, the U.S. auto market dwarfs those of Southeast Asia. The United States produces 6.5 million new units a year, compared to about 300,000 in Thailand and Indonesia, 200,000 in Malaysia and 50,000 in the Philippines. However, Mr. Dunne said, "If you look at the whole region, it's a very attractive place for investment." China's market is about 700,000 new vehicles a year and Taiwan's is another 500,000, he noted. Today, Japanese companies control about 90 percent of the market for commercial vehicles and 85 percent for passenger cars throughout Southeast Asia. Mr. Dunne said, U.S. companies have less than 1 percent of the market share, with European manufacturers making up the rest. "American automakers always have an excuse for not competing," Mr. Dunne said. "Meanwhile, the Japanese just eat it up. Local partners are not thrilled about being dependent on the Japanese. They'd like to work more with Americans." In the Philippines, the protected market is dominated by car and truck assembly plants controlled by Nissan Motor Co., Toyota Motor Corp. and Mitsubishi Motors Corp. The latest entry is the South Korean company Kia Motors Corp., which has begun assembling a model called the Kia Pride. In Malaysia, a Mazda model called the Telstar is assembled by Ford, which owns 25 percent of the market. Ford is held by a Malaysian car, the Proton Saga, the only indigenous auto in the region. Although it uses a Mitsubishi Lancer chassis, the body is Malaysia's own design and about 60 percent of the content is locally made. Ford's strongest presence in the area is on Taiwan, where the company eventually hopes to make cars for export to mainland China. Other U.S. automakers also are starting to take a second look at the region. Chrysler Corp. opened an office in Thailand in 1990 and hopes to launch its Jeep in the country in 1993. In an effort to boost its meager market share, GM has set up offices in Hong Kong and Thailand, a joint venture in Shenyang, China, and subsidiaries in Taiwan and Indonesia.

SELL: Ambassadors' New Business

(Continued from page 1) echelon of the U.S. government — all the way up to President George Bush — to derail a Japanese attempt to get a telecommunications contract away from American Telephone & Telegraph Co. The Indonesian government first proposed awarding the contract, then doubled its size and gave half to AT&T and half to NEC Corp. But Mr. Monjo said AT&T was the right to develop the fast-growing urban areas of Indonesia, which gives the U.S. company the better portion of the deal. Mr. Eagleburger said in a recent interview that the longtime rivalry between the State Department and Commerce Department, which in previous administrations was so sharp that some ambassadors refused to pass on cables to their commercial officers, has ended. "There really is an effort to try to work with Commerce more closely," Mr. Eagleburger said. "For the first time, Mr. Eagleburger invited Susan C. Schwab, assistant commerce secretary and head of the U.S. Foreign Commercial Service, to meetings with U.S. envoys in Europe and Asia to talk about business. American ambassadors are pressing her for more commercial officers through her budget is stretched to the limits with the opening of new posts in the former Soviet Union and the emerging democracies of Eastern Europe. Mr. Clark, for example, would like to add commercial officers in India, which is in the midst of an economic liberalization program that now welcomes foreign investment, but he doesn't want the size of the embassy staff to grow. "Maybe I'll have one or two fewer political officers," he said. Such an idea would have been unthinkable a few years ago. Now, as Mr. Eagleburger noted, "we are going to have to shift away from the stuff we spent the last 40 years doing." "The world has changed," he added.



Generals conferring Friday in Kiev before the start of the summit meeting. Major military issues, including the definition of strategic assets, were not addressed.

SUMMIT: Ukraine's President Lashes Out at Russia and an Ineffective Commonwealth

(Continued from page 1) position Friday, "since I realized that Ukraine will never sign a document on succession" to the property of the Soviet state. Diplomats and officials said that Mr. Kravchuk's militant stance probably derived as much from a need to play to the home audience as from a real sense of being marginalized by Russia. In the months since the creation of the Commonwealth, a powerful notion has spread through Ukraine that Russia is manifesting "great power chauvinism" and undermining Ukraine's sovereignty at every turn. The animosity toward Moscow has been fanned by a strong sense that Russia is gobbling up all the assets of the Soviet Union, and is being assisted in this by the West. Many officials in Moscow and Kiev believe that Mr. Kravchuk's decision to suspend withdrawal of tactical nuclear weapons was intended as a forceful demonstration

of his irritation with the attitude not only of Moscow, but also of the West. In the past, Mr. Kravchuk has generally resisted bashing Moscow in public and has called for reason in relations with Ukraine's giant neighbor. But officials said that having the Commonwealth leaders meet on his turf compelled him to make a good show of militancy. They said that he was also probably genuinely stung by Mr. Yeltsin's report of the private phone call, which put him in a humiliating position, and that he was becoming irritated at Russia's resistance to sharing out the assets of the former union. Mr. Kravchuk's strongest assault on Russia, an assault that drew a smattering of applause from Ukrainian reporters, was an invocation of the image of a Russia permanently given to imperial ambition.

Mr. Vance arrived in Stepanakert half an hour after five rockets from an Azerbaijani Grad multiple missile-launcher slammed into the town, breaking an Iranian-brokered cease-fire that had just come into effect. Mr. Vance's arrival in Stepanakert half an hour after five rockets from an Azerbaijani Grad multiple missile-launcher slammed into the town, breaking an Iranian-brokered cease-fire that had just come into effect.

CHINA: Li Peng, Straddling Power Struggle, Calls for 'Bolder Approach'

(Continued from page 1) not offer many specifics about steps the leadership would take in its "bolder approach." In other segments of the speech, Mr. Li bowed to hard-liners' demands for ideological campaigns and vigilance against subversion. "We must be on the watch for any ideological trend toward bourgeois liberalization, checking it the moment it appears and never allowing it to run rampant," Mr. Li said. "Otherwise, there will be serious consequences." The prime minister also called for dealing harshly with criminals, presumably referring to democratic activists as well as to thieves and murderers. "If we are too tender-hearted, we shall come to grief," he said. Mr. Li also called repeatedly for buttressing political education programs, especially for university students. He said that social scientists "should continue to take Marxism, Leninism and Mao Zedong thought as their guide." This year's report was less dismissive of human rights than in the past, and Mr. Li said that countries should discuss human rights concerns among themselves. But he gave no indication that China was prepared to release political prisoners or tolerate dissent. "It is not acceptable for a small group of countries to impose their human rights criteria or models upon others," Mr. Li said. "Nor is it permissible to use human rights as a pretext for interfering in other countries' internal affairs." Mr. Li's speech called on the National People's Congress to approve the proposed Three Gorges Dam, a huge hydroelectric project on the Yangtze River. Proponents of the dam say the project would generate large amounts of electricity and would reduce the risk of a catastrophic flood that might kill a million people. Critics say that the project would flood one of China's most scenic areas, would offer only limited flood control benefits, and is too costly and complex for China to tackle now.

POLITICS: Bush, or Clinton?

(Continued from page 1) Washington, Mr. Bush's overall favorability score is 50 percent positive to 47 percent negative. Four years ago, when he had just coached the 1988 Republican nomination, Mr. Bush's ratings were 62 favorable and 30 percent unfavorable; six months ago he was even more popular, with 79 percent supporting him and 16 percent against him. Luckily for Mr. Bush, he may be matched against Mr. Clinton, whose unfavorable rating is as high as his favorable one. "Maybe internationally" Mr. Bush has done well, said Barbara Vogel, 59, a businesswoman who voted for him in 1988 and was part of the Oak Park group. "But certainly not at home. He just doesn't have the control." "I liked the way he handled that Persian war," said Ronald Mizzara, 45, a technician and Duluth resident. "But after that he went downhill." A chorus of "no" greeted the question of whether Mr. Bush is the kind of president you think we need for the next four years. "I don't think he can turn it around," said Lourdes Rodriguez, 39, an office coordinator who supported Mr. Bush last time. "We have so many domestic problems, and he's just not a domestic president," Ruth Gores, 39, a systems engineer, said. "I mean, he's a little bit out of touch with things here." She voted against Mr. Bush four years ago, but her views are not out of line with national sentiment. When the Post-ABC sample was asked, "Are you satisfied that Bush understands the problems of the average American well enough to serve effectively as president?" 38 percent said yes; 60 percent said no. By contrast, 51 percent answered that question affirmatively for Mr. Clinton and only 37 percent said no. But whatever satisfaction Democrats could derive from that advantage is clouded by the character question. Sixty-four percent said they were "satisfied that Bush has the honesty and integrity to serve effectively as president," and 34 percent disagreed. For Mr. Clinton, 41 percent were satisfied and 46 percent were not.

A Beauty Queen's Denial on Clinton

CHICAGO — A former Miss America has denied that she had an affair with Bill Clinton, whose campaign for the White House has been dogged by allegations of marital infidelity. The Clinton campaign released a statement from Elizabeth Ward saying: "Although I have met Bill Clinton and his family, at no time did any romantic relationship exist between the governor and myself." A spokesman for Playboy magazine said that an article on Ms. Ward, due to appear in the next issue, was not harmful to Mr. Clinton. Ms. Ward said she had refused to confirm or deny for Playboy allegations of a past romantic relationship.

Advertisement for Herald Tribune subscription, offering two extra months free with a 12-month subscription. Includes a table with subscription rates for various countries and a coupon for ordering.

Word puzzle section titled 'Oscars Across (and Down) By Bernard Meren'. Lists clues for 12 across, 13 down, and 14 down, along with a solution to a puzzle from March 14-15.

Word puzzle grid for 'Oscars Across (and Down)'. Includes clues for across and down words, such as '12 Across: Oscar-winning role in "Kluge"', '13 Down: "The King of Men"', and '14 Down: "The King of Men"'.

Word puzzle grid for 'Oscars Across (and Down)'. Includes clues for across and down words, such as '15 Across: Oscar-winning role in "Kluge"', '16 Down: "The King of Men"', and '17 Down: "The King of Men"'.

Escorts & Guides advertisement for Belle, Mercedes, and International Escorts. Lists services for various cities like London, New York, and Paris, with contact information and phone numbers.

Escorts & Guides advertisement for Zuri, Zuri Susan, and Zuri Susan. Lists services for various cities like London, New York, and Paris, with contact information and phone numbers.

Escorts & Guides advertisement for Zuri, Zuri Susan, and Zuri Susan. Lists services for various cities like London, New York, and Paris, with contact information and phone numbers.

IRAQ: New Missile Data

(Continued from page 1) twice last month warned Iraq of "serious consequences" if it failed to comply. U.S. and British officials had also warned of military action. Mr. Ekus, before he departed for Vienna, said he did not "want to use loaded type of language" but he added that "now we are satisfied with these undertakings that the Iraqi authorities are prepared to go along with destruction of capabilities which they have not accepted before." His decision to continue talks in Vienna on non-oil related issues is a reflection of his assessment that Baghdad's decision, communicated in a letter Thursday night, represents a "change of policy." While welcoming Iraq's decision, U.S. and other western officials reacted cautiously. "On the basis of past experience, we have to be skeptical," said a U.S. official in reference to previous Iraqi offers of cooperation that have failed to be fully implemented. "But if Ekus has assurances that's a good sign." Mr. Ekus cautioned that he would have to wait until next week for a UN team to enter the country to verify that Iraq is truly cooperating. "It's a change of direction, but it is definitely not the end of the first," Mr. Ekus said. "We have road all the way to verify. I'm not convinced yet that we have everything, but I hope we will be able to do it." He said his conviction that Iraq had changed stemmed from a set of figures of Iraqi Scud missiles and launching systems, as well as of chemical warheads, that Baghdad had turned over to the commission. He said the United Nations would now be able to investigate. Mr. Ekus refused to disclose the numbers involved but said that reports that Baghdad initially possessed 800 Scud missiles were accurate. But because of the Iraq-Iran war as well as the Gulf War, it has been impossible to determine how many of the Scuds remained. Iraq has said it had only 62. But Mr. Ekus said that in its latest communication, Baghdad admitted to having possessed additional undisclosed missiles and said it had destroyed them last summer. The commission will now have to verify whether these claims are accurate. He also said Iraq had provided new data on a "considerable number" of previously undisclosed chemical warheads used for its Scud and Hussein missiles. Later, Mr. Ekus said he intended to hold talks in the Austrian capital with Iraq's ambassador to the United Nations, Abdul Amir Anbari. The Iraqi representative had been scheduled to meet with other UN officials there on March 26, to discuss a proposed resolution allowing Baghdad to sell \$1.6 billion in oil to pay for humanitarian goods.

AFGHAN: A Battle for Survival

(Continued from page 1) salary, however, but for the wheat, tea and sugar they receive with coupons they are given. Over the winter, supplies from the Soviet Union, and when it did so, from Russia, trickled to a halt. Even private merchants who had contracts to buy wheat from Germany and Hungary did not receive their shipments. "The largest contracts of wheat and flour were not delivered," said Farid Zarif, a former senior official in President Najibullah's office who is now charged with helping the country's tiny private sector. "As a result, the government has decided to distribute the monetary equivalent of three months' coupons for wheat." What that means is that instead of receiving 110 pounds of flour each month, government workers are being given a monthly stipend of 10,000 alghams, or about \$6.90. With that, they can buy about 51 pounds of flour. In short, their salaries have been halved. At Kabul University, the 650-member faculty has decided to refuse the monthly stipend. "How can we live this way?" a member of the history department said. "We will not be able to feed our families. We cannot survive if we do this to us. We are not working for money. We are working for food." Although classes do not begin until later in March, the faculty has decided not to teach until the food rations are restored. The government is in no position to ease the burden on the capital's 1.5 million residents, most of whom are even worse off than the government employees. In the mud-walled houses piled up the sides of the mountains that edge Kabul, there is no electricity, no running water, no heat. "The government has no money," a senior party official said. "The Soviet Union provided assistance before. Now it has its own problems. We are now looking at selling gold we have abroad, or using our lapis lazuli reserves to borrow money." An East European diplomat with long experience here described the extent of the crisis. "Kabul has only a two-week supply of wheat," he said. "The militia who have closed the road from the north can do in one week what Gulbuddin couldn't do in years." Gulbuddin Helmandar is leader of the Islamic Party, the most extreme fundamentalist rebel group.

2 Quakes Hit Aegean Island

ATHENS — Two earthquakes, measuring 5.2 and 5.0 on the Richter scale, shook the Aegean island of Milos on Friday, the Athens Geodynamic Institute reported.

Large advertisement for De Klerk Kenya Leaf, featuring a list of products and prices, including Kenyan tea, coffee, and other goods.

De Klerk Mandate Offers No 'Quick Fix'

By Christopher S. Wren

CAPE TOWN — Despite the overwhelming mandate that whites gave President Frederik W. de Klerk to end their monopoly on political power...

Mr. de Klerk, who repealed the basic laws underpinning apartheid last year, has insisted that basic change must be negotiated and enshrined in a constitution that will replace the present racially biased one.

The time that he expects this to take is more than his foremost opponent, the African National Congress, is prepared to spend.

When you get to the fundamentals, there's no quick fix, Mr. de Klerk said at a news conference in Cape Town after the results of the referendum Tuesday were announced.

He proposed such interim measures as the inclusion of blacks in the current cabinet, which Nelson Mandela and other black leaders have rejected as tokenism.

Although the final outline of a settlement remains murky, both sides have agreed upon the need for an interim government with a multiracial executive body and the existing parliament or a subsequent two-chamber legislature to approve legal changes to the present constitution.

The negotiators from the ANC and the government have also reportedly agreed upon a final two-chamber legislature elected by proportional representation, an independent

judicial system and a bill of rights, as important features of the proposed new constitution.

In return for Mr. de Klerk's acceptance in principle of an interim government, the ANC has muted its opposition to the government's proposal to shift certain powers from federal to regional authority.

The ANC also has proposed "sunset clauses" that would phase out the preferential rights that whites currently enjoy and would mandate a coalition government for the first years of multiparty rule.

Disagreements abound over how or when all this is to be achieved, but the result of the talks that are under way at the Convention for a Democratic South Africa, as the negotiating forum is titled.

Mr. de Klerk has emerged strengthened by his referendum's success and could consequently take a harder line at the talks. He has promised whites that he would insist upon a new constitution incorporating sufficient guarantees to protect the white minority from majority — meaning black — domination.

Unless he could achieve this, Mr. de Klerk said, fundamental changes would have to be referred back to his white constituency in another referendum.

International pressure played a role in persuading the majority of whites to break with their apartheid past, although not always in ways commonly assumed in the West.

Few whites have felt directly threatened by the disinvestment of foreign companies, for

example, because it has been mostly blacks who lost jobs.

But whites have been embarrassed to have to pass themselves off as Australians or Britons overseas, to see their sports heroes and cultural performers barred from international arenas where they might have excelled, all for the sake of a legalized system of racial discrimination policies that has proven unworkable as well as immoral.

The whites sent a clear message that they want to become part of the world again rather than live hunkered down in the isolation brought on by apartheid.

At the same time, many of them have been privileged at the prospect of surrendering their rights and succumbing to the kind of economic decline that they have witnessed in other African countries. They waited for a leader like Mr. de Klerk to lead them out of the wilderness.

The referendum coincided with the international success of South Africa's cricket team, which is the first national team to tour overseas since an international sports boycott was lifted last year. The team rose to the semifinals of cricket's World Cup matches, only to find that it might have to withdraw if the referendum was defeated. That was enough to persuade sports-happy whites to vote yes.

"While the sports issue was undoubtedly significant in its own right," said David Welsh, professor of Southern African Studies at the University of Cape Town, "it was symptomatic of something deeper: a widespread sense of relief that South African whites were no longer being regarded as lepers in the international community."



Nelson Mandela denouncing the plan for a value-added tax on food Friday in Cape Town.

ANC Threatens Massive Protest Over Food Tax

CAPE TOWN — Nelson Mandela threatened Friday to "destroy the economy" with mass action if necessary to halt a planned tax on food items.

Starting March 31, the government plans to apply a 10 percent value-added tax to many basic foods that have been exempt from taxation.

Mr. Mandela, president of the African National Congress, spoke at an anti-tax rally where participants saw it as the ANC's duty to protect the poor.

He said his organization would use unprecedented protests to stop the tax, "even if we destroy the economy."

He said in address to about 300 mainly black pensioners that the protests would be more crushing than a nationwide two-day strike in November that virtually brought the country to a standstill.

The strike was called to protest the replacement of a general sales tax with a value-added tax.

When government leaders make decisions such as imposing new taxes, Mr. Mandela said, not only should they consult the ANC, "they must get our express approval."

Kenya Leader Bans Political Rallies

Moi Cites Violence, Critics See Plot to Obstruct Election

NAIROBI — The Kenyan government, faced with the worst outbreak of tribal violence since independence from Britain in 1963, has banned all political rallies.

At least 70 people have been killed in seven weeks of clashes between members of President Daniel arap Moi's small Kalenjin tribe and other tribes in western Kenya.

Leading opposition figures have accused Mr. Moi's government of instigating the violence, and it was expected that the ban would raise the political temperature further.

Mr. Moi, after returning from a trip to Austria and Britain on Friday, said he would not tolerate

demonstrations and threatened to jail journalists and close newspapers over "reports which lead to the deaths of people."

"There will be no politics and no public meetings until law and order is restored," he said. "I do not want to hear about any such rubbish as demonstrations, which have led to a disruption of peace."

The main opposition Forum for the Restoration of Democracy and the Democratic Party of a popular former vice president, Mwai Kibaki, say Mr. Moi is planning to impose a state of emergency and call off multiparty elections expected later this year.

Over the past week, the violence spread through the tea plantations

Japan Politician Escapes Assailant's Fire at Rally

TOKYO — A gunman who said he belonged to a rightist group shot at one of Japan's most influential politicians Friday during a rally, but no one was injured, the police said.

Shin Kanemaru, 77, vice president of the governing Liberal Democratic Party, was finishing a speech to about 300 people when the attacker began firing. Mr. Kanemaru dropped behind the podium, which was struck by one of three shots.

The gunman was subdued and arrested, according to the police in Ashikaga, 80 kilometers (50 miles) north of Tokyo. Television footage showed Mr. Kanemaru mopping his brow as he returned to his seat on the stage after the incident. He was greeted with applause.

Police identified the attacker as Hiroshi Watanabe, 25, who said he was a member of Yukuko-Seiwa-Kai, a Tokyo-based rightist group.

Mr. Kanemaru is a former deputy prime minister and, as head of the Liberal Democratic Party's largest faction, was behind the drive to put Prime Minister Kiichi Miyazawa into office in November.

Obstacles Remain on Kurils

TOKYO — Foreign Minister Andrei Kozoyev of Russia said Friday that there were still obstacles to returning four small islands seized from Japan by the Soviet Union at the end of World War II.

Mr. Kozoyev said Russia intended to honor an agreement, signed in 1956 by Japan and the Soviet Union, that promised to return two of the four disputed islands to Japan when a peace treaty was concluded.

"I must say there are difficulties on concrete ways to implement this," Mr. Kozoyev was quoted by Japanese officials as telling Foreign Minister Michio Watanabe.

Prime Minister Kiichi Miyazawa told Mr. Kozoyev, "It is unnatural for two major nations not to have a peace treaty. It is essential that

there be a settlement at this time." Japan insists that the large-scale economic aid wanted by Russia depends on a peace treaty ending the World War II belligerency between the two countries. The Japanese also make the treaty contingent on settling the territorial issue.

Mr. Kozoyev, who arrived in Tokyo on Thursday for a three-day visit, is the first Russian foreign minister to visit Japan since the breakup of the Soviet Union last year. President Boris N. Yeltsin is to visit Tokyo in September.

Successive Soviet governments have ignored the clause on the islands in the 1956 document since Japan signed the 1960 U.S.-Japan Security Treaty. Until Mikhail S. Gorbachev took power the Kremlin had refused to acknowledge that a territorial issue even existed.

Mr. Kozoyev also said troops on the four disputed Kuril Islands — Kunashir, Iturup, Shikotan and Habomai — have been cut by 30 percent to about 7,000. Japanese Defense Ministry officials had said this week that no troop withdrawal had taken place.

The Russian foreign minister said Japan's policy of refusing large-scale aid without the return of the islands may prove counterproductive. In Russia, political forces opposed to democracy have been using the country's mounting economic problems as a political weapon, he said.

"I must seek your understanding that if our tactics were successful, we would once again find ourselves in a hostile relationship over this issue," Mr. Kozoyev told Mr. Watanabe.

ADVERTISMENT INTERNATIONAL FUNDS March 20, 1992. Table listing various international funds with columns for fund name, currency, and price. Includes sections for International Funds, Global Funds, and Other Funds.

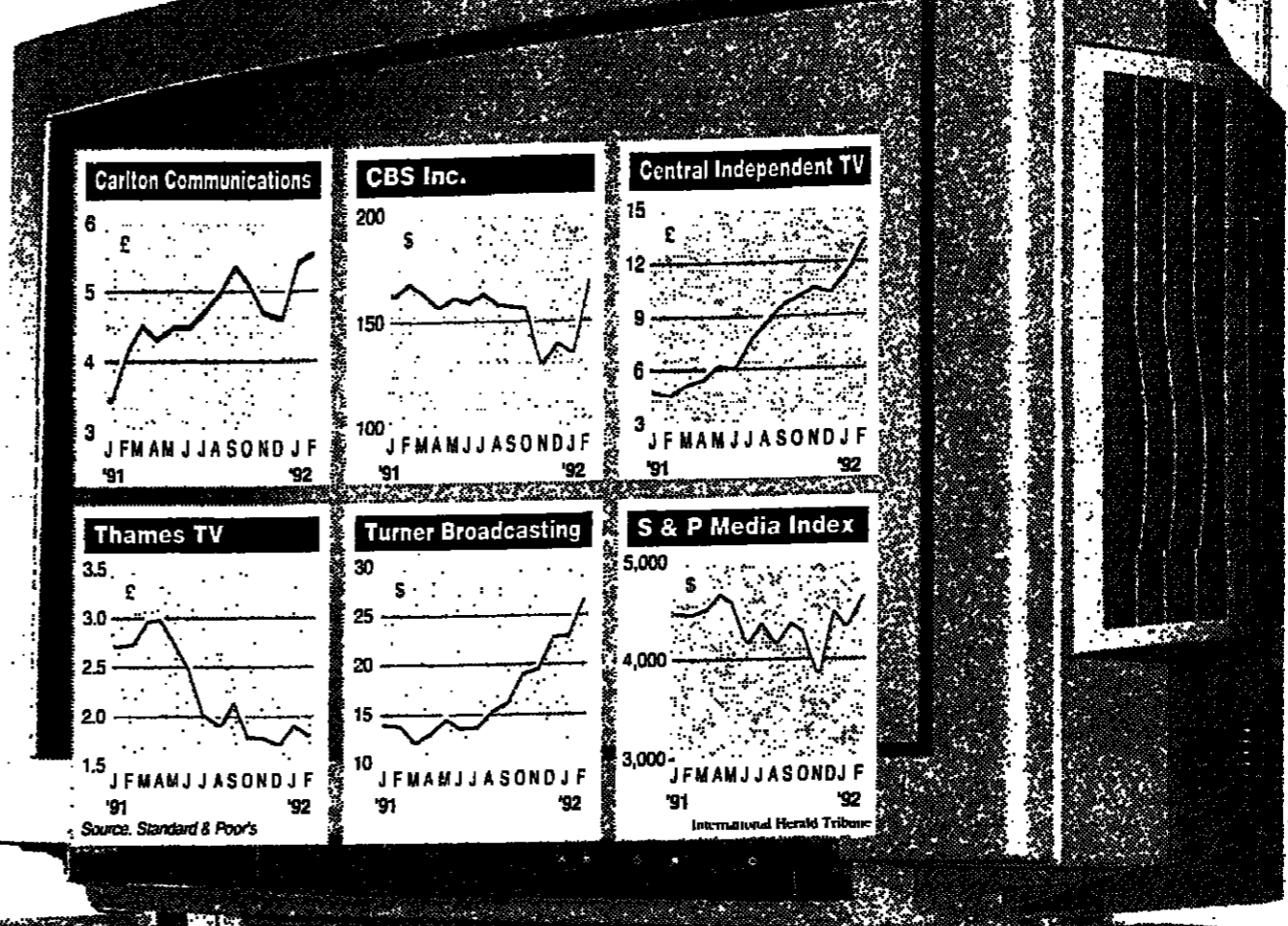
THE MONEY REPORT

FIRST COLUMN Choosing A Safety Net Or Meltdown

HOW would you like it if someone was systematically stealing a percentage of your pay? No, that is not this column's entry in the Rhetorical Question of the Year contest. It is, however, a way of looking at what the late Mr. Robert Maxwell was doing to the beneficiaries of the pension funds of some of his companies...

Playing the Recovery With TV Broadcasters

By Philip Crawford
TIMES have been turbulent for the world's media of late. Television stocks put in a generally dismal performance in 1991 because of widespread recession and consequent cutbacks in advertising spending...



One thing is certain, however, market-watchers say: The recent signs of life shown recently by the long-comatose U.S. economy bode well for advertising spending and, therefore, for broadcasters. Growth opportunity for investors in the British television industry appears to abound...

BRIEFCASE

Dialing Around the Globe With English-Speaking Help
A new service for English-speakers that makes telephoning another country as easy as calling home will soon be available from AT&T. Called World Connect, the service eliminates both language barriers and the need to understand foreign telephoning procedures...

FRENCH COMPANY HANDBOOK 1991. ELEVENTH EDITION FULLY UPDATED. Now, in the 1991 completely revised and updated edition, 168 pages of indispensable information in English on a selection of 67 of the most important French companies...

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A WORLD OF BANKING SERVICE. That's what you get with Chemical Bank's Worldwide Consumer Group, a unique organization dedicated to serving the special, personal banking needs of all individuals living outside the United States.

Picking. They're know battered stock shunned by Wall but cherished by seeking investors who dare more the herd instinct. Small wonder. These stocks well below their high under earnings drop... Some Lo. It is impossible for small investors to get into some of the most successful mutual funds...

THE MONEY REPORT

Picking for Share Bargains Among the Markets' Castaways

By Judith Rebek

THEY'RE known as "battered stocks" — shunned by Wall Street, but cherished by value-seeking investors who dare to ignore the herd instinct.

Small wonder. These stocks are trading well below their highs, reeling under barrages of negative publicity, earnings disappointments, even possible bankruptcy.

But IBM fits right into Mr. Katz's undervalued stock methodology. He runs some 7,000 companies through computer programs that value the shares, and if a stock's price is at a one-third discount, he takes a closer look.

That makes it all the more appealing to David Dreman, who loves the stock. "It's not only cheap, it has good prospects for coming back," said the manager of the Dreman High Return Fund.

Beat-Up, But Still Standing

Table listing worst performers on U.S. stock markets over one year to March 2, 1992. Columns include company name, stock price (\$), and % loss. Examples: Compaq Computers (-58.95%), Columbia Gas Sys. (-56.3%), Pacific Ent. (-53.9%), Arkle (-50.6%), Halliburton (-48.3%), Oryx En. (-47.9%), Autodesk (-44.9%), Gt. Atl. & Pac. (-42.9%), Acuson (-42.8%), Enersch (-38.2%), IBP (-37.1%), Pennzoil (-35.5%), Cadence Design S. (-34.7%), Nat. Medical Ent. (-33.9%), Lna. Land. & Expts. (-33.6%), IBM (-33.2%), Safety-Kleen (-33.1%), Placer Dome (-32.2%), Westinghouse Elec. (-32.2%), Amray Gold (-32.2%).

Source: Datastream International Herald Tribune

whopping net loss of \$966 million in 1990. "Shearson is starting to make money, and IDS, American Express' mutual fund group, is growing at 20 percent a year," Mr. Dreman noted.

Great buys in battered stocks are often created when investor panic infuses an entire sector, dragging down the god with the bad. At the beginning of last year, investors abandoned banks in droves as bad real estate loans and recession took their toll.

fraught with uncertainty, because no one is sure what OPEC will do," he said. Mr. Rogers bought Pennzoil Co. as it plummeted from a high of \$76 to around \$45 currently, and he is eyeing Baker Hughes Inc., an oil service group trading at nearly half its high of 18 months ago.

High yields are another way that battered stocks often find their way into portfolios, especially with money market funds and bank CDs returning less than a paltry 4 percent.

Roger Newell of Newell Associates, money managers in San Francisco, looks at a stock's yield relative to its history and the current market to judge whether it's a bargain. Right now, he's keen on some of the Baby Bells, the regional phone companies.

shopping outside the United States. Jean-Marie Eveillard, who runs the \$300 million SoGen International Fund, looks at share prices relative to a company's cash flow. The lower the multiple, the better he likes it, and that has sent him to Europe, where markets on average are trading at only five times cash flow, half of that of U.S. stocks.

Two of Mr. Eveillard's favorites are Bayer AG, the German chemical and pharmaceutical company, trading at only 2 to 3 times its cash flow, and Promodis SA, the French hypermarket chain, where he holds nonvoting shares at only 2.5 times cash flow.

Back in the United States, a final category of battered stocks is strictly for the intrepid — Chapter 11 bankruptcies, where a company stays in business but can legally hold off its creditors while it tries to regain solvency.

Some Low-Budget Strategies for Investing With High-Rollers

By D. Jacqueline Smith

IT is impossible for small investors to get into some very successful mutual funds. Why? Sleep minimum initial investments of \$500,000 or so are imposed. However, with a little savvy you'll be able to invest in these type funds for a fraction of the real amount.

High-minimum funds are targeted to institutions and wealthy investors. They're typically "investment-counsel oriented, value oriented and afraid of being swamped with cash," said A. Michael Lipper, president of Lipper Analytical Services in Summit, New Jersey.

So why invest in these exclusive funds when with \$1,000 or so you can choose from a slew of top-performers? "The reason you'd want to," explained Kurt Brouwer of San Francisco money manager Brouwer & Janachowski, "is they're managed by some of the best brains on Wall Street."



successful in recent years than they were in the 1980s. Sign up for an Automatic Investment Plan. You can invest in increments by authorizing the fund to debit your bank account by a cent.

Mr. Rekenhaller also likes Southeastern Asset Management Value Trust, a long-term growth fund with a value orientation. With 20 years experience running money, manager O. Mason Hawkins searches for companies selling at rock-bottom prices.

open an IRA with them for \$2,000 or so. They do this because they regard such investments as long term, because investors typically do not move their retirement funds around.

Invest through a discount broker. Discounters offer a wide selection of products and charge commissions 40 percent to 50 percent less than full-service brokers.

impatient investors clamoring to get into the Gintel Fund, the management capitalised. They cloned it. "Many of these letters were from small investors," said Cecil Godman, executive vice president of Gintel Capital Appreciation.

Finally, if you're bent on being an investing maverick, try sending your fund-of-choice a check for an arbitrary amount. Some have been known to accept it.

A Global Guide To Responsible Shareholding

THE notion that power carries with it responsibility has gained increasing acceptance in U.S. financial circles in recent years. For investors holding shares, that responsibility can create problems, particularly when stockholders are asked to vote on corporate issues (with, arguably, ethical overtones) at company meetings.

There is also a brief list of social responsibility resolutions passed at major U.S. corporations, and shareholder activist organizations.

Advertisement for Jyske Bank ECU-Account. Features: With the Jyske Bank ECU-Account you can now earn a high interest rate: 8.625% p.a. with USD 6,500 as a minimum deposit. Deadline for deposits 31 March 1992.

Advertisement for Lombard Deposit Accounts. Features: Invest with confidence in a Lombard Fixed Deposit Account and earn 9.50% PA GROSS. One year period with interest rate guaranteed not to change during the deposit term.

Table titled 'Best Performing Mutual Funds'. Columns include Fund Name, Domestic, and Performance. Lists various funds like Biotechnology Venture Fund, Genesis Chile, Mercury Nevada, etc., with their respective performance metrics.

World of Banking Service

Large advertisement for private wealth management services. Text: Two things you should expect from our private wealth management service: One we have down to a fine art. The Kleinwort Benson Group is one of the United Kingdom's leading Merchant Banks and we now offer private wealth management to a select number of clients through our bank in Switzerland.

NYSE

Friday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Symbol	High	Low	Open	Close	Volume	Change
AAPL	152 1/2	152 1/2	151	152 1/2	1,000	+1 1/2
IBM	118 1/2	118 1/2	118 1/2	118 1/2	1,000	0
MSFT	75 3/4	75 3/4	75 3/4	75 3/4	1,000	0
AMZN	48 3/4	48 3/4	48 3/4	48 3/4	1,000	0
GOOG	285 1/2	285 1/2	285 1/2	285 1/2	1,000	0
JPM	60 1/4	60 1/4	60 1/4	60 1/4	1,000	0
WFC	55 1/2	55 1/2	55 1/2	55 1/2	1,000	0
C	52 1/2	52 1/2	52 1/2	52 1/2	1,000	0
DIS	35 1/2	35 1/2	35 1/2	35 1/2	1,000	0
INTC	28 1/4	28 1/4	28 1/4	28 1/4	1,000	0
HPQ	35 1/4	35 1/4	35 1/4	35 1/4	1,000	0
QCOM	65 1/4	65 1/4	65 1/4	65 1/4	1,000	0
ORCL	55 1/4	55 1/4	55 1/4	55 1/4	1,000	0
SNOW	15 1/4	15 1/4	15 1/4	15 1/4	1,000	0
SPY	195 1/4	195 1/4	195 1/4	195 1/4	1,000	0
DJIA	11,050	11,050	11,050	11,050	1,000	0

Symbol	High	Low	Open	Close	Volume	Change
AAE	110 1/2	110 1/2	110 1/2	110 1/2	1,000	0
AAW	100 1/2	100 1/2	100 1/2	100 1/2	1,000	0
AAI	85 1/2	85 1/2	85 1/2	85 1/2	1,000	0
AAT	75 1/2	75 1/2	75 1/2	75 1/2	1,000	0
AAU	65 1/2	65 1/2	65 1/2	65 1/2	1,000	0
AAV	55 1/2	55 1/2	55 1/2	55 1/2	1,000	0
AAW	45 1/2	45 1/2	45 1/2	45 1/2	1,000	0
AAZ	35 1/2	35 1/2	35 1/2	35 1/2	1,000	0
AAB	25 1/2	25 1/2	25 1/2	25 1/2	1,000	0
AAC	15 1/2	15 1/2	15 1/2	15 1/2	1,000	0

Symbol	High	Low	Open	Close	Volume	Change
ABC	200 1/2	200 1/2	200 1/2	200 1/2	1,000	0
ABC	190 1/2	190 1/2	190 1/2	190 1/2	1,000	0
ABC	180 1/2	180 1/2	180 1/2	180 1/2	1,000	0
ABC	170 1/2	170 1/2	170 1/2	170 1/2	1,000	0
ABC	160 1/2	160 1/2	160 1/2	160 1/2	1,000	0

Symbol	High	Low	Open	Close	Volume	Change
DEF	45 1/2	45 1/2	45 1/2	45 1/2	1,000	0
DEF	35 1/2	35 1/2	35 1/2	35 1/2	1,000	0
DEF	25 1/2	25 1/2	25 1/2	25 1/2	1,000	0
DEF	15 1/2	15 1/2	15 1/2	15 1/2	1,000	0

Symbol	High	Low	Open	Close	Volume	Change
GHI	100 1/2	100 1/2	100 1/2	100 1/2	1,000	0
GHI	90 1/2	90 1/2	90 1/2	90 1/2	1,000	0
GHI	80 1/2	80 1/2	80 1/2	80 1/2	1,000	0
GHI	70 1/2	70 1/2	70 1/2	70 1/2	1,000	0
GHI	60 1/2	60 1/2	60 1/2	60 1/2	1,000	0

ECONOMIC A More Year This Equati

NEW YORK — A forecast by the President's Council of Economic Advisors predicts that the economy will grow at a rate of 4.6% in 1992. The forecast is based on the latest available data and reflects the impact of the President's budget proposals. The CEA also predicts that inflation will rise to 3.5% by the end of the year.

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CURRENCY RA

Currency	Rate	% Change
British Pound	1.6422	-0.10
Japanese Yen	147.80	+0.10
West German Mark	1.4860	-0.10
French Franc	166.35	+0.10
Italian Lira	1,366	+0.10
Spanish Peseta	166.35	+0.10
Portuguese Escudo	200.48	+0.10
Belgian Franc	133.35	+0.10
Dutch Guilder	1.8366	+0.10
Swiss Franc	1.4533	+0.10
Australian Dollar	0.7770	+0.10
New Zealand Dollar	0.6128	+0.10
Canadian Dollar	0.7427	+0.10
South African Rand	12.860	+0.10

INTEREST RATE

Instrument	Rate	Change
1 Year	8.00%	0.00
2 Year	7.75%	0.00
3 Year	7.50%	0.00
5 Year	7.25%	0.00
10 Year	7.00%	0.00
30 Year	6.75%	0.00
90 Day T-Bill	5.75%	0.00
180 Day T-Bill	5.75%	0.00
360 Day T-Bill	5.75%	0.00
1 Month LIBOR	6.75%	0.00
3 Month LIBOR	6.50%	0.00
6 Month LIBOR	6.25%	0.00
1 Year LIBOR	6.00%	0.00

Handwritten note: 1/27/92

MARKET DIARY

Stocks End Mixed In Triple-Witching

NEW YORK — Stocks closed mixed in choppy trading Friday as improved prospects for an economic rebound and better corporate earnings helped the market survive a plunge in bond prices.

Analysts said the session was dominated by program traders as many investors chose to stay on the sidelines rather than take chances during the year's first "triple-witching" hour.

The Dow Jones industrial average, which rose 7.15 points Thursday, gained 14.99 points to 3,300.

Advancing issues outnumbered declines 6-to-5. Volume was heavy, with 246.7 million shares changing hands, up from 197.28 million on Thursday.

Chambers Development led the Amex action, slipping 1/10. The company said it is cooperating with a Securities and Exchange Commission investigation into events surrounding the company's stock plunge.

High Johnson, head of the investment policy committee at First Albany Corp. in Albany, N.Y., said the market overcame the burden of plunging bond prices because "it's becoming clear the economy is recovering and investors are beginning to shift their focus from

traders to believe the sell orders had been filled and the dollar soared. Just as trading ended, the actual selling began, with the reversal showing up in New York trading.

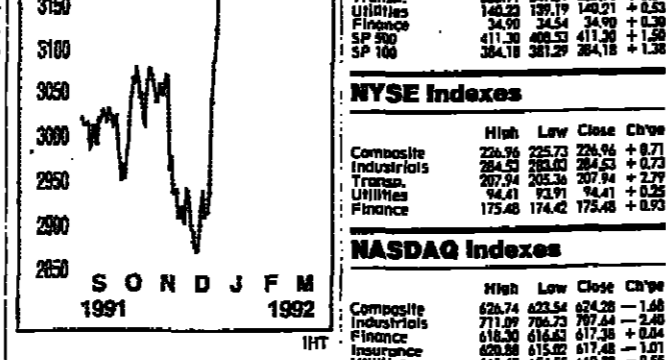
In late London trading, the dollar leapt through 1.68 Deutsche marks, a longstanding resistance level, but large sell orders placed near the European close knocked it down to 1.6714 at the end of trading in New York, slightly higher than Thursday's 1.6708.

Traders said the dollar first fell against the yen, but there was no evidence of intervention by the Bank of Japan.

The dollar ended at 133.82 yen, up from 133.58. It also rose to 1.5179 Swiss francs from 1.5149 and to 5.6720 French francs from 5.6700. The pound, however, rose against the dollar; it ended at \$1.7130, up from \$1.7112.

The dollar was chipping away at the 1.68 mark level in Europe most of the day, but traders were daunted by rumors of a major seller lurking in the 1.6780-0.1.6800 area. Then prices suddenly rose, leading some

The Dow Daily closings of the Dow Jones industrial average 3300



Standard & Poor's Indexes: High, Low, Close, Change

NYSE Most Active: Vol, High, Low, Last, Chg.

NYSE Diary: Advanced, Declined, Unchanged, New Highs, New Lows

Amex Diary: Advanced, Declined, Unchanged, New Highs, New Lows

NASDAQ Diary: Advanced, Declined, Unchanged, New Highs, New Lows

NYSE Most Active: Vol, High, Low, Last, Chg.

NYSE Diary: Advanced, Declined, Unchanged, New Highs, New Lows

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NYSE Most Active: Vol, High, Low, Last, Chg.

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Amex Diary: Advanced, Declined, Unchanged, New Highs, New Lows

NASDAQ Diary: Advanced, Declined, Unchanged, New Highs, New Lows

Dow Jones Averages: Open, High, Low, Last, Chg.

NYSE Indexes: Composite, Industrial, Transportation, Finance, Utilities, Pharmaceuticals

NASDAQ Indexes: Composite, Industrial, Transportation, Finance, Utilities, Pharmaceuticals

NYSE Most Active: Vol, High, Low, Last, Chg.

NYSE Diary: Advanced, Declined, Unchanged, New Highs, New Lows

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U.S. / AT THE CLOSE

Chambers Cooperates in SEC Probe PITTSBURGH (UPI) — Chambers Development Co. said Friday that it was cooperating with a Securities and Exchange Commission investigation into events surrounding the company's stock slide.

Chambers stock nosedived \$19.125 a share Wednesday in a sell-off sparked by the company's adoption of an accounting change that reduced its 1991 earnings nearly 97 percent to \$1.5 million.

The Wednesday plunge prompted a class action suit, charging that Chambers management conspired to conceal adverse information in an effort to maintain artificially high market prices for the stock.

There have also been allegations that some senior Chambers executives sold their stock before announcing the accounting change. Chambers has denied all the allegations.

ATLANTA (AP) — Two former employees of the Atlanta branch of Banca Nazionale del Lavoro, Italy's largest bank, pleaded guilty Friday to conspiring to arrange more than \$5 billion in unauthorized loans to Iraq.

The IRS decided in July to give the contract to AT&T, and International Business Machines Corp. and Lockheed Missiles & Space Co. protested. A panel of IRS and independent experts re-evaluated IRS needs after the contract appeals board ruled that the tax agency had not adequately justified awarding the contract to AT&T, the highest bidder.

The re-evaluation showed that although the cost was the highest of the three, the AT&T proposal would best serve the government's need for technical capabilities, management and support services, work force productivity and protection against future additional costs, the IRS said.

Unisys to Settle Shareholder Suits BLUE BELL, Pennsylvania (Reuters) — Unisys Corp. said Friday that it would pay \$18 million to settle all remaining shareholder lawsuits that arose from a government investigation into financial disclosures for 1989 and 1990 and the company's suspension of dividends.

A total of 17 suits, including 15 class action suits settled for \$15 million, will be terminated under the agreement, it said. The class action shareholders may also get an additional \$5 million, based on future Unisys earnings through 1994 and other factors, the company said.

Unisys said that despite the settlement, it "expressly denies any wrongdoing by the company or its officers and directors."

For the Record The Chicago Board of Trade and the Deutsche Terminbörse said they had signed a "memorandum of understanding" covering a potential joint venture in German government bond futures.

The Securities and Exchange Commission has approved a request by the American Stock Exchange to list options and warrants in the Eurotop 100 index, the European Options Exchange said.

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U.K. Inflation Below Rate

LONDON — Britain's inflation rate fell to 2.5 percent in February, the lowest since 1980, according to the Office for National Statistics.

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Flood of Mexico Offers Planned

NEW YORK — Mexico's two largest banks are leading a wave of Mexican stock offerings that could amount to \$7.5 billion in the next four months, analysts said Friday.

Grupo Financiero Banamex-Accival SA is likely to be next to market with an issue that is expected to top \$1 billion, Banacci, as the group is known, was formed when Mexico's largest brokerage house acquired Banamex, Mexico's largest bank. It follows an oversubscribed issue by Banamex this week.

Other large issues include the sale by the government of its remaining 9.5 percent stake in Telcel, which could fetch \$3 billion, and a \$400 million offering by Empress ICA Sociedad Controladora.

The stock market in Tokyo was closed Friday for a holiday.

Markets Closed The stock market in Tokyo was closed Friday for a holiday.

Markets Closed The stock market in Tokyo was closed Friday for a holiday.

U.S. FUTURES

Grains: WHEAT (CBT), SOYBEANS (CBT), SOYBEAN OIL (CBT)

Metals: NY GRADE COPPER (COMEX), SILVER (COMEX)

Livestock: CATTLE (CME), PIGS (CME)

Financial: U.S. BILLS (IMM), U.S. TREASURY (CBT)

Stock Indexes: S&P 500 INDEX (CME), NYSE COMP. INDEX (NYSE)

Commodity Indexes: MADDY'S REFUTER, D.J. FUTURES

Market Guide: CME, NYSE, AMEX, NASDAQ

Market Guide: CME, NYSE, AMEX, NASDAQ

Market Guide: CME, NYSE, AMEX, NASDAQ

WORLD STOCK MARKETS

Amsterdam: AEX, AEX, AEX

Helsinki: HELSINKI, HELSINKI

Hong Kong: HONG KONG, HONG KONG

Brussels: BRUSSELS, BRUSSELS

Frankfurt: FRANKFURT, FRANKFURT

Milan: MILAN, MILAN

London: LONDON, LONDON

Madrid: MADRID, MADRID

Sao Paulo: SAO PAULO, SAO PAULO

NASDAQ

NASDAQ: NASDAQ, NASDAQ

NASDAQ: NASDAQ, NASDAQ

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NASDAQ: NASDAQ, NASDAQ

Fashion

The 'Correct' Clothes For a Season of Crisis

PARIS — Dictatorship is on the rise in fashion. A generation ago, liberal attitudes invaded fashion territory, and style became a matter of personal expression within the spirit of the age. No one still believes in dressing by the Great Dictator: hemlines down! pants in! bosoms out! think pink!

Yet, a more sinister dogma is taking hold: Politically Correct fashion. The PC position takes as its starting point an intellectual concept: that the glib 1980s are over and that a new fashion

The answer is that if designers are going to find the way forward for fashion in the 1990s, they have to be bold and resolute. The alternative is running scared, as so many shows did in Milan, where pantsuits were offered as a sop for women who can't make up their mind about skirt lengths. Those who want to wear pants will buy them. But will they be fooled into thinking that the purchase is anything other than wait-and-see?

Another politically correct position is about fashion and sex, where the idea is that in the age of feminism and in the shadow of AIDS, designers should be showing less and respecting women more. The recent lingerie looks and pervasive transparency seem shocking to many women. But the runways seethe with naked flesh and with images of drag-queens and bondage because fashion reflects life as it is, not as it ought to be.

Nothing in history suggests that when things get tough, fashion goes on hold. The reverse is true: From the French Revolution to the Depression of the 1930s, clothes for crises have been challenging, provocative, glamorous. Significantly, that is the current mood in London's clubland, where elaborate makeup and chignons, with sensual, colorful clothes, are worn in defiance of a drab world. Vivienne Westwood, always at fashion's forefront, showed Hollywood glamour laced with denim and stretch in her London show.

"I don't even think that long skirts are particularly sensible," she said. "But then fashion isn't about being sensible, but about the way you feel." The Paris shows have opened against a nervous and dismal economic climate. Yet, the early shows are all, in their different ways, taking fashion to the edge. The black shrouds that cloak Comme des Garçons's defiant feminism have never been blacker; shoulders have shrunk significantly from padded to poor boy; skirts have dropped dramatically from thigh-high to ankle-deep. All this will reinforce a general criticism that fashion is out of touch, even out of order. Within the beleaguered trade, people ask: Why rock the boat when clothes are a hard sell?

In charting fashion's future, it is mistaken to imagine that there is only one true path: that skirts can only be long and skinny and never short and wider; that clothes must only be plain and never wildly decorated; that colors have to whisper rather than shout; that androgynous pantsuits cannot coexist with feminine dresses; that designer fashion has one point of view, and that there is no alternative.

Instead, we should all celebrate the fact that the Paris ready-to-wear shows offer such vibrant diversity. Out of the meeting of minds and the clash of cultures, from the weird, the wacky and the wearable, will emerge the look that ultimately defines the decade.

There is no such thing as "right" and "wrong" fashion — only good and bad design. And the one sure thing about the style of the 1990s is that nothing will come out of concentrating on classics and maintaining the status quo, however PC it is for fashion to lie down and play dead. As Karl Lagerfeld says: "Politically correct fashion should be the opposite of what people expect. Fashion in difficult times should be more exciting, daring and advanced."

Suzy Menkes Karl Lagerfeld's transparent, ankle-length skirt and body-conscious jacket.



Lagerfeld's Lust for Long Maxi Is Accessory to a Skinny Silhouette

By Suzy Menkes

PARIS — The maxi skirt — a free fall down to the ankles — has arrived back in fashion. Karl Lagerfeld electrified the runway Friday with flashes of bright hose and sheer length of leg, but all seen through the slits or thin veils of his decisively long skirts. Taken with new jacket shapes, raised in the waist but long and lean, it made a persuasive new silhouette.

"It makes everything else look old-fashioned and obsolete," raved Joan Kaner of Neiman-Marcus, as she tugged at her short skirt backstage. "I'm going to wear it — I think it's very sexy with all the slits at the hem," said the socialite Susan Gutfreund.

The show was a tribute to Lagerfeld's ebullient creativity. That will be stretched still further if the polymath designer becomes director of the studio at Chloé, the house where he was designer for 20 years until 1974 and still holds rights in the fragrance.

Sources close to Lagerfeld said Friday that the Karl Lagerfeld company will be sold by Cora Revillon to Dunhill, which owns Chloé, with Lagerfeld himself as part of a package. Lord Douro, Dunhill's chairman, said Friday that discussions were in progress.

LAGERFELD showed a brilliantly inventive collection, but are his long skirts a fashion revolution? No, because they were just an accessory to the designer's skinny silhouette, and because they did nothing to cover up the legs.

Right from the opening leather jackets and lean knits, the accompanying skirts were made in stretch tulle so fine you could strain yogurt through it. Or they were slatted at the hem showing hose that matched the top halves.

Lagerfeld said that he was inspired by Czech Cubism, which meant that vertical lines were bisected with horizontals, done in cutting, stitching or in fiery red sequined embroideries on black crepe evening dresses. The colors were somber, the soft-and-sour genres and mavericks of the Cubist period.

"More than ever it is about cut," said Lagerfeld, to explain his jigsaw puzzles of jackets that had diamond seaming at the midriff, ties below the bust, or a bottom half that flared into pleats from the hips to balance the tiny shoulders. These tailoring ideas, with their subtle play on proportions, are Lagerfeld's building blocks.

Since everything was layered — a curvy hip-length jacket, a thigh-length tunic or a three-quarter coatdress — the skirts are optional. Women may replace them with narrow pants. But it was Lagerfeld's fashion genius to make the unlikely transparent skirts or svelte slits an option that, at least for the duration of the show, seemed worth taking up.

But for the week's real fashion happening, you had to be perched on a piece of rundown furniture in the Salvation Army thrift shop where Martin Margiela showed his 1970s flea-market look. The Belgian designer, a former assistant of Jean-Paul Gaultier, first sent out a Fellini-esque Salvation Army band, dressed in a ragtag assortment of clothes off the thrift-racks. They were followed by fashions in the same spirit but intricately pieced together: maxi skirts cut on the bias with a grid of bunched-up seams; tunics and long skirts knitted in lumpy, boiled wool; coats carefully cut with swashbuckling cuffs and back pleats, with their hems scraping the floor; poor-boy mesh singlets worn on top of shrunken sweaters.

MARGIELA started the unfinished symphony that is currently playing through avant-garde fashion, and he sent out reminders of his earlier collection in the raggedy undone hemlines and plastic garment-bag bodies. These deconstructed looks part of a strong anti-establishment movement, have already reached the Chanel runways. "That makes me laugh," Margiela, wearing denim and his signature sailor cap, said after the show.

Chloé had a silver-screen glamour under its designer Martine Sitbon — but not much cutting edge. Here, pantsuits skirted the hemline issue, coming out in sugared almond colors under sweeping long coats, or they were long fitted jackets and narrow pants in graphic checks.

In spite of an opening long dress unbuttoned thigh high, skirts were short and sassy by day and pretty at night in flutters of iridescent chiffon. Sitbon's very-Versace prints of baroque picture frames on silk shirts and leggings looked like last year's trend.

For those who want well-behaved clothes, Givenchy had trim suits, shirtwaist dresses and suits, all with short skirts given a bit of a flutter with pleats. The sharp-shouldered silhouette was softened up with suede or with the many knitted outfits, including bright checks that were part of a hot and strong color theme. For evening, he showed cocktails of velvet and chiffon.

Conventional couturiers used to show in the second week in Paris, leaving the early slots for the avant-garde. But maybe the designer Robert Merloz was trying to be daring and different with his fur collection for Saint Laurent, which included a military duffel shown with a bearskin helmet, mink pompons on slippers and a faint ecological echo in the Robin Hood colors of green and brown.

Merloz shows his ready-to-wear collection on the runway next season, and the YSL family, including Yves himself, were out in full support.

SUZY MENKES is the fashion editor of the International Herald Tribune.

U.S. Creators Have Designs on Europe

By Bernadine Morris

NEW YORK — When Oscar de la Renta introduced his fall collection in the courtyard of the Louvre on Tuesday, it will be the third time this American designer has stormed Paris, the citadel of world fashion. He says he is here to stay.

"We've established permanent offices for sales," says the designer. "We will prepare our shows there. We can keep stock there. And we're looking for our own boutiques."

"We've sold in Europe very well. We have stores in Germany, Switzerland, Italy, Spain, Holland and the Scandinavian countries."

"In the beginning, I tried to get some of the retailers to reduce their orders, because I didn't want them to get stuck, but I've been told by many that every piece they ordered sold."

"Our first show cost \$800,000 to produce, our second, \$750,000. This one will come to about

\$500,000 — almost as much as it is at home. The advantage is in Paris, you do not only get to show to American stores, you get the world."

Many American designers also have their eye on the world. "Gianni" is, in fact, the newest catchword in fashion. But no one yet is ready to follow de la Renta to the runways.

"Show in Paris like Oscar?" asks Ralph Lauren. "My home is in New York. This is my base. The retailers and the press come here, just as we go to Europe."

Lauren has plans to expand his presence in Europe, but he has chosen the boutique route. In 1981, he opened his first London shop in New Bond Street. Five years later there was a Lauren shop on the Rue Royale in Paris. Today there are also boutiques in St. Tropez, Munich, Zurich and Brussels. There are discussions under way for additional stores in England, Paris and Italy. He also sells to Galeries Lafayette.

"The answer to European business is your own shops," he says. "We also plan to sell more stores, but the stores in Europe are generally

small, so it's more advantageous to have your own."

Geoffrey Beene took the fashion show road long before Oscar de la Renta. He presented a collection in Milan in 1976. He followed with private shows in Vienna, Rome, Brussels and Paris, invited by U.S. ambassadors.

"The questions I faced then were, 'Why an American?' and 'Why this American?'" he recalls. "The idea, of course, was to awaken Europeans to American design."

"As a result, we have been selling to stores in Berlin, Zurich, London and Düsseldorf. European retailers have bought my clothes in New York — some even appreciated them," Beene says, wryly.

Beene points out that he has never been part of a trade show. He considers Paris a mass market "and I never wanted to be part of a mass market," he says.

For the past two years he has been looking

Continued on page 17

Meanwhile, Back at the Dude Ranch...

By Cathy Horyn

WASHINGTON — In the 1962 movie, "How The West Was Won," the usual things happen. The wagon train arrives. The Indians tomahawk a few cowboys. The cowboys get mad at the Indians. They fight it out. Cowboys win.

In the 1992 remake, "How The West Was Won," the plot thickens as designers advance, scissors drawn, toward fall: fringed pants, stud the jacket, tie up the girl. Call in the press for reinforcement. It's a familiar cycle of exploitation.

By now, it should be pretty obvious that designers at home and abroad have taken a fancy to the American West, a fascination that manages to grasp, in its crudest form, the mythological role of the outlaw hero in American culture. Gianni Versace is perhaps the most articulate interpreter of that myth, systematically exploiting every stereotype of the Wild West, from whorehouse to jailhouse, and laying out a vision of women as sexual predators. The vixen in dog collar and harness.

But where Versace is relentlessly raunchy, other designers are simply amused by the clichés and their clothes capture some of the lunacy of our Saturday morning exploits with Lash LaRue, Roy Rogers and Sky King. Rifat Ozbek mixes Indian totems with funkadelia. In New York, Isaac Mizrahi rings horseshoes around black lace and cuts regal black satin into evening chaps. Marc Jacobs, designing for Perry Ellis, paints Southwestern souvenir kitsch on ball gowns. In London last weekend, the cowboy and biker myths merged as a statement of something fierce and primitive: sleeves backed off leather jackets and replaced with boiled wool knitting or ratty fleece.

Small wonder that both American and European magazines have latched onto the cowboy mystique; it seems to fulfill every urban fantasy about being stranded in a Texas town, defiled in a honky tonk or parked seductively on the tailfin of a pink Cadillac by the side of the road at sunset. These settings, with their flat vistas and undercurrent of sexual danger, are straight out of the road movies of the '60s, the kind of films that Roger Corman made about outlaw men, victimized women and the



Spaghetti western: Versace's tight jeans skirt and fringed cowboy shirt.

righteousness of a violent death. In that context, the clothes today seem nostalgic.

From a commercial standpoint, the dude factor has been good for America. Western boot companies like Tony Lama and Justin have seen their overseas sales grow significantly in the last few years, especially in Japan. "Last year, we sent orders to Japan once every month," says Norma Yurnia, foreign sales representative for Tony Lama in El Paso, Texas. Justin, which is based in Fort Worth, sends boots to Italian

CATHY HORYN is fashion editor of The Washington Post.

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SPORTS

Tulane, in NCAA Debut, Upsets St. John's

The Associated Press
Tulane, which gave up basketball for four years following a point-shaving scandal...

Michigan State and Kentucky Also Win

Montgomery hitting a 14-foot jump shot for 55-50. Cincinnati 85, Delaware 47: Jeff Scott scored five points during a 9-0 run late in the first half...

In NIT, Manhattan Rallies Past Wisconsin-Green Bay

The Associated Press
Carey Edwards' only basket of the night came with two seconds remaining and boosted Manhattan over Wisconsin-Green Bay...

WEST REGIONAL

New Mexico St. 81, No. 24 DePaul 73: In Tempe, Arizona, Sam Crawford had 21 points and 11 assists...

MIDWEST REGIONAL

Southern Cal 84, NE Louisiana 54: In Milwaukee, little-used freshman Tremayne Anchrum set career highs with 16 points and eight rebounds...



Campbell's Joe Spinks was caught in the act of catching the arm of Duke's Christian Laettner.

SIDELINES

Courier Loses World No. 1 Ranking

KEY BISCAJNE, Florida (Reuters) — An off-form Jim Courier lost his world No. 1 ranking Friday when he fell to Michael Chang in the semifinals of the Lipton International Players Championship...

Jordan Says He'll Play in Olympics

LANDOVER, Maryland (AP) — Michael Jordan says he has settled his differences with USA Basketball and will definitely play in the Olympic Games in Barcelona...

Tombs Captures Giant Slalom Title

CRANS-MONTANA, Switzerland (AP) — Alberto Tomba added the World Cup giant slalom trophy to his Olympic gold medal Friday in the penultimate race of the men's season...

For the Record

The NHL Players Association said Friday that it would strike March 30, a week before the Stanley Cup playoffs, if no new collective bargaining agreement is reached.

SCOREBOARD

BASKETBALL

Table with columns: Conference, Team, W, L, Pct, GB. Includes Eastern, Western, and Pacific Divisions.

SOCCER

NCAA Tournament

Table with columns: Round, Team, Score. Includes First Round, Second Round, etc.

HOCKEY

NHL Standings

Table with columns: Division, Team, W, L, T, Pts, GF, GA. Includes Patrick and Norris Divisions.

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An American Tradition Comes to Europe, With a Twist

Advertisement for Panini soccer trading cards, featuring text about the company, the cards, and contact information.

FEELING OUT OF IT?

Advertisement for AT&T USADirect service, including the slogan 'Service can get you back to the office in seconds' and a large international dialing code table.

